



WASHOE COUNTY

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CM/ACM	<input checked="" type="checkbox"/>
Finance	<input checked="" type="checkbox"/>
DA	<input checked="" type="checkbox"/>
Risk Mgt.	<input checked="" type="checkbox"/>
HR	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>

STAFF REPORT BOARD MEETING DATE: March 8, 2016

DATE: February 16, 2016
TO: Board of County Commissioners
FROM: Craig Betts, Chief Information Officer, Technology Services
 775-328-2355, cbetts@washoecounty.us
THROUGH: John Slaughter, County Manager, 775-328-2000,
 jslaughter@washoecounty.us

SUBJECT: Recommendation to approve a \$148,000 change order from the Regional License and Permit Program vendor, Accela, to extend the program's contract until the project is ready to go live on August 22, 2016. Approving the change order includes the following:

- Approving Washoe County's \$67,636-share of the change order amount, after the County is reimbursed by the Cities of Reno and Sparks;
- Authorizing the Comptroller's Office to bill the Cities of Reno and Sparks for their portion of the change order amount, based on the percentage splits stated in Addendum A to the Interlocal Cooperative Agreement Establishing the Regional Business License and Permits Program
- Authorizing Washoe County to use \$33,300 from the approved change order funds to reimburse the project's contingency fund for project payments made in January and February 2016 to allow the contract to continue until the Board could consider and approve the change order;
- Directing the project management staff from the Technology Services Department to execute the change order only after the City Councils of Reno and Sparks approve funding their respective shares of the change order. (All Commission Districts.)

SUMMARY

Recommendation to approve a \$148,000 change order from the Regional License and Permit Program vendor, Accela, to extend the program's contract until the project is ready to go live on August 22, 2016. Approving the change order includes the following:

AGENDA ITEM # 6.G.

- Approving Washoe County's \$67,636-share of the change order amount, after the County is reimbursed by the Cities of Reno and Sparks;
- Authorizing the Comptroller's Office to bill the Cities of Reno and Sparks for their portion of the change order amount, based on the percentage splits stated in Addendum A to the Interlocal Cooperative Agreement Establishing the Regional Business License and Permits Program
- Authorizing Washoe County to use \$33,300 from the approved change order funds to reimburse the project's contingency fund for project payments made in January and February 2016 to allow the contract to continue until the Board could consider and approve the change order;
- Directing the project management staff from the Technology Services Department to execute the change order only after the City Councils of Reno and Sparks approve funding their respective shares of the change order.

Washoe County Strategic Objective supported by this item: Proactive economic development and diversification.

PREVIOUS ACTION

The Board approved the Interlocal Cooperative Agreement Establishing the Regional Business License and Permits Program between the County of Washoe, the City of Reno, the City of Sparks, and the Washoe County Health District at their June 17, 2014 meeting. The Agreement set forth the governance, structure, and implementation of a Regional License and Permit Program, effective through June 30, 2020, with automatic renewals beginning July 1, 2020, unless otherwise terminated under the Interlocal Agreement. The Board also approved the Washoe County Business License and Permits System Contract between Washoe County and Accela, Inc. for a Regional License and Permit Program in the amount of \$1,580,074.66 with a total project budget of \$1,667,444.32, which included the Accela contract amount and a 5.5% contingency fund.

BACKGROUND

As noted the Board approved the following at their June 17, 2014 meeting:

- A contract with Accela, Inc. for the regional license and permit program. The contract includes a detailed statement of work. Washoe County is the contracting agency for the regional license and permit program.
- The Interlocal Agreement between Washoe County, the City of Reno, the City of Sparks, and the Health District that governs, and states the terms for implementing, the regional license and permit program. In this, the interlocal agreement outlines the responsibilities and obligations of each jurisdiction concerning such matters as budget, payment of contract and subscription costs, and program oversight. The Interlocal Agreement also established a Management Oversight Group consisting of the Managers for the City of Reno and the City of Sparks, the District Health Officer, and the County Manager. The Oversight Group is empowered to make financial decisions concerning the project within

certain specified amounts and to make recommendations to the jurisdictions' elected bodies.

- A loan from Washoe County to the City of Reno of funds sufficient funds to cover the first year's project costs, which includes both implementing the permits and licensing program and first-year subscription costs. The Interlocal Agreement covers Reno's repayment of the loan.
- A commitment by Washoe County to perform duties as fiscal agent for all four jurisdictions concerning the regional license and permit program. As the contracting agency and contract administrator, Washoe County is responsible to pay the first year's project costs and subsequent years' subscription costs for the program. The County created a special revenue fund for accounting purposes to support the costs and reimbursements for the program as outlined in the interlocal agreement.

CONTRACT AND ASSOCIATED STATEMENT OF WORK WITH ACCELA, INC.

As noted, Washoe County is the contracting agency and the contract administrator for the contract with Accela, Inc. for the regional license and permit program. Washoe County Technology Services Department leads the project, based on its success with large, multi-department and -agency software programs.

The regional license and permit program will be hosted by Accela, Inc. in their data center (i.e., the program will be "on the cloud") and consists of three major modules: land management, mobility, and citizen access. The land management module provides the tools and programs required to manage all license and permits functions and transactions. The mobility module provides the applications and tools needed for field staff to access the program through off-site hardware (e.g., tablet PCs, smart phones, etc.). The citizen access module provides the interface and functionality for our citizens to access the program through the internet.

Accela, Inc. will create a regional license and permit program with each of the four jurisdictions housed as a separate tenant within the larger regional database. This design will facilitate the flow of license and permit information between and among the four jurisdictions. The regional database will enable the sharing of common customer information between the jurisdictions, and will reduce the need for a customer to enter their information multiple times within the program. The regional program will be designed to share common license and permit workflows and business processes among the four jurisdictions whenever feasible. The program will also be designed to start the customer at a common "regional" entry point and then direct the customer seamlessly into the individual jurisdiction's business process to complete a license or permit transaction. Finally, the regional program is also scalable, in that other jurisdictions can join in the future to share the common license and permits workflows and business processes.

The total implementation cost, with a 5.5% project contingency component, and first year subscription cost is \$ 1,667,444.32. The jurisdiction sharing of the total cost was as follows:

Jurisdiction	Contribution %	Contribution amount
Reno	28.5%	\$ 475,221.63
Sparks	26.9%	\$ 448,542.52
Washoe County (includes Health District)	44.6%	\$ 743,680.17
Total Project Cost		\$ 1,667,444.32

Note: The contribution amount includes the 5.5% project contingency.

The Regional License and Permits Project kicked off September 2, 2014 and was targeted as a 16-month implementation with all regional partners participating. The contract was purposely very “lean” for a project of this size—involving four jurisdictions and over 30 combined departments—to reduce the overall cost of the contract. Negotiations were conducted during the height of the economic downturn when all jurisdictional budgets were very tight. The initial project plan that was delivered by Accela was very aggressive and only included those tasks which were the responsibility of Accela. A fundamental precept of the contract was that Accela would “teach” the jurisdictions “how to fish” in creating the bulk of the program. The initial project plan did not account for the work by the four jurisdictions to take the project to completion.

Issues that the Program has faced throughout the implementation include vendor mandated upgrades, which halted progress at several different times during the project; vendor delays in delivering key functionality, reorganizations of assigned lead Accela management staff for the project, implementation process complexities with lean training provided by the vendor, and lengthy timelines for review of project components delivered by Accela. The agencies’ were also short staffed during some critical timelines and there was no funding to backfill or enhance staff for the project. The project fell behind schedule and deadlines for delivering key statement of work deliverables were delayed, resulting in the missed date of the original planned go live on, December 21, 2015. The Regional Project Management team raised concerns with the overall project plan to Accela’s new management team and the Project reset occurred on October 19, 2015, which established a new project go live date as August 22, 2016.

This change order increases Accela’s and the agencies’ accountability by establishing concrete timelines and deliverables in the project plan included within this change order. For instance, if either Accela or an agency falls behind more than 5 days on critical task, payment may be withheld to Accela or the Agency will need to make up the time elsewhere in the project plan or another change order may be warranted.

The revised project plan was approved on January 21, 2016 by the Management Oversight Group. At the same meeting, the Oversight Group directed staff to bring the proposed change order to each governing body (each City Council and the Board). The Health District’s share of the funding is through Washoe County, so there was no direction to bring the Change Order to the District Board of Health.

FISCAL IMPACT

The Change Order proposed by Accela to continue the project through the revised go live date of August 22, 2016 is for \$148,000. The Change Order outlines monthly payments of \$16,650 payable to Accela at the end of each month. The percentage split of the Change Order to each agency is shown below per Addendum A to the Interlocal Cooperative Agreement; shared implementation allocation percentages:

Entity	Contribution	Total Projected Amount
Reno	24.5%	\$36,260.00
Washoe/Health	45.7%	\$67,636.00
Sparks	29.8%	\$44,104.00
Total Change Order		\$148,000.00

The funding for this change order will be provided by a transfer from the General Fund Contingency account. Account transactions are as follows:

Decrease C189000-820000	General Fund Contingency	\$(148,000)
Increase C189000-814430	Transfer to Regional Permits	\$ 148,000
Increase RP430001-621001	Transfer from General Fund	\$(148,000)
Increase RP430001-710100	Professional Services	\$ 148,000

The Management Oversight Group also authorized the January and February monthly payments, if required, under the proposed Change Order from the project's contingency funds in order to keep the project going until the Change Order could be heard by the necessary elected bodies. The Oversight Group also directed staff to include reimbursement of the project's contingency fund as a component of the elected bodies' review of the Change Order. The total cost of reimbursement to the contingency fund would be \$33,300 from the Change Order if both January and February monthly bills are paid to Accela.

RECOMMENDATION

It is recommended that the Board approve the \$148,000 change order from the Regional License and Permit Program vendor, Accela, to extend the program's contract and the project go-live date to August 22, 2016 as approved by the Management Oversight Group. Correspondingly, it is recommended that the Board approve Washoe County's \$67,636-share of the change order cost; authorize reimbursement of the project's contingency funds in the amount of \$33,300 for project payments made in January and February 2016 to allow continuation of the contract until Board approval of the change order; and authorize the Comptroller's Office to bill the City of Reno and the City of Sparks for reimbursement of the Change Order total costs based on the percentage splits as stated Addendum A to the Interlocal Agreement. Finally, it is recommended that the Board direct Project Management staff from the Technology Services Department to execute the Change Order only after approval by the City of Reno City Council and the City of Sparks City Council to fund their respective jurisdictional shares of the Change Order..

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

“Move to approve a \$148,000-change order from the Regional License and Permit Program vendor, Accela to extend the program's contract and the project go-live date to August 22, 2016 as approved by the Management Oversight Group. Further, move to approve Washoe County's \$67,636-share of the change order cost; authorize reimbursement of the project's contingency funds in the amount of \$33,300 for project payments made in January and February 2016 to allow continuation of the contract until Board approval of the change order; and authorize the Comptroller's Office to bill the City of Reno and the City of Sparks for reimbursement of the Change Order total costs based on the percentage splits as stated in Addendum A to the Interlocal Agreement. Finally, move to direct Project Management staff from the Technology Services Department to execute the Change Order only after approval by the City of Reno City Council and the City of Sparks City Council to fund their respective jurisdictional shares of the Change Order.”

Change Order # 4
Support for Additional Duration of Project

PROJECT DETAILS	
Project Name:	Washoe County, PP – AA (WASH3AAAUP)
Project Manager(s):	Lori Piccinini (Washoe County) and Peri Halliwell (Accela)
CHANGE DETAILS	
Change Order Number	CO # 4
Change Order Title	Support for Additional Duration of Project
Change Requestor	Lori Piccinini (Washoe County) and Peri Halliwell (Accela)
Change Request Date	November 24, 2015
Change Urgency	Immediate
Change Category	Project Duration

CHANGE DESCRIPTION	
<p>This change is to support the planned new planned go-live date of 8/22/2016 and will include the following resources.</p>	
<p>Project Executive Christine Herb</p>	<p>The Project Executive oversees the project’s progress/direction and works with the Project Manager to ensure efficiency, consistency and quality in delivery of Accela implementations. The Project Executive actively participates in a project director/executive role. The Project Executive will meet with Agency Executives monthly or upon request throughout the duration of the project.</p>
<p>Project Manager Peri Halliwell</p>	<p>The Accela Project Manager is responsible for the overall project management and works directly with the client throughout all aspects of Accela implementations: from the initial scoping, planning, staffing to delivery. The Project Manager undertakes the project administration tasks including:</p> <ul style="list-style-type: none"> • Project plan management • Change order management • Issue log management and escalation • Status reporting • Project workspace management • Resources management • Work plan management • Meetings management • Project review with Project Executive
<p>Senior Implementation Consultant Brenda Berens</p>	<p>The Senior Implementation Consultant assigned to the project will have major experience in the business process as well as the product functionality and is responsible for:</p> <ul style="list-style-type: none"> • Business analysis activities: Mapping the client’s business processes and requirements to the functionality of Accela’s products and the creation of solution design • Leading system configuration activities • Providing training/mentoring to agency staff • Recommend industry best practices to enhance business processes • Guide agency on how best to configure the system based on past experiences and software expertise

Change Order # 4

Support for Additional Duration of Project

Implementation Consultant Various	Implementation Consultant resources support the project and typically focus on the following tasks. <ul style="list-style-type: none"> • The configuration of the system to match the System Configuration document • Build activities within the project, such as conversion data mapping, creation of reports and interface specification
Technical Consultant Various	Accela Technical Consultants are involved in all areas that require knowledge server-side considerations and Accela add-on products such as: <ul style="list-style-type: none"> • Application installation and setup (Accela Automation, Accela GIS, Accela Wireless, and Accela Citizen Access) • Report definition and creation • Event Manager Script definition and programming • Database Conversions and data mapping assistance • Interface specifications and development
Training Consultant Various	Training Consultants are responsible for Accela Training classes with assistance from Implementation consultants, depending on the nature of the specific project.

CHANGE DRIVER(S)
 Level of effort for Accela and the Agencies extends the planned go-live date through 8/22/2016.

CHANGE BENEFIT(S)
 Provides consistency to the project with ongoing project management and existing resources through the remainder of the project.

CHANGE ORDER COSTS
 Adjusted cost of \$148,000 includes ongoing support through to production. Go-Live is scheduled for 8/22/2016, with follow up support and the transition to the Accela Customer Resource Center, for a total of eight additional months. A 10% holdback of the change order cost will be retained and invoiced at go-live.

Numbers shown in parenthesis reflect Statement of Work (SOW) deliverables from the attached document. Agencies expectation with this change order is that SOW deliverables will be completed according to the approved Project Plan within the time frames noted on the chart below.

Progress Payments are agreed to as follows, beginning January 2016 and due at the end of each month.

Payment #	Amount	Description
1	\$16,650	Progress Payment 1 (January) (5) To Be Analysis Document(s), (6) Accela Solution Foundation, (19) Report Specifications, (20) Report Development
2	\$16,650	Progress Payment 2 (February) (7) Historical Data Conversion Analysis Washoe, (15) APO Interface, (16) Admin Enforcement Interface, (21) Accela GIS Configuration, (27) Administrative Training, (25) User Experience
3	\$16,650	Progress Payment 3 (March) (10,14) Historical Data Conversion Development – Sparks Permits & Licensing, (17) State Business Portal, (12) Historical Data Conversion Development - Reno licensing, (18) BPVA (Scripting) All, (22) ACA Configuration

Change Order # 4

Support for Additional Duration of Project

4	\$16,650	Progress Payment 4 (April) (24) EDR Configuration (23) IVR Consulting
5	\$16,650	Progress Payment 5 (May) (26) Move Reno to the Cloud (4/29/16)
6	\$16,650	Progress Payment 6 (June) (10) Historical Data Conversion Washoe,
7	\$16,650	Progress Payment 7 (July) (28) Train the Trainer
8	\$16,650	Progress Payment 8 (August) (30) UAT (8/12/16)
	\$14,800	10% Holdback (Existing Contract) (31) Production Support (9/21/16) (32) Post go live Support and Transition to CRC (9/21/16)
	\$148,000	Total

CHANGE IMPACT DETAILS

Project Impact to Quality, Cost, Schedule, Resources or Other:

This change order will positively impact the project by providing continuity with work done to date and allows the current Accela resources to remain available for the duration of the project.

PAYMENT SCHEDULE

Accela will perform the Services on a monthly payment basis, as provided in this change order, and based on:

- The nature and scope of the Services and associated Deliverables as outlined in the attached Statement of Work Deliverables;
- Accela's expected staffing requirements as outlined under change description;
- the approved project plan; and,
- Accela's and Agency's roles and responsibilities and the other assumptions set forth in the Statement of Work.

Monthly progress is monitored through and determined by the approved project plan dated January 11, 2016 and assumes all agencies are going live on August 22, 2016.

Should Accela fall more than five (5) business days behind the plan and deliverable progress based on the project plan's critical path, the Agency may opt to withhold monthly payment until such a time as Accela has caught up on progress, providing that predecessor tasks assigned to the Agency are not responsible for the delay.

Should the Agency fall more than five (5) business days behind the plan and deliverable progress based on the project plan's critical path, Accela and the Agency will assess the impact to the project end date and determine if an additional change order is required, providing that predecessor tasks assigned to Accela are not responsible for the delay.

Accela's total price to perform the Services and provide the Deliverables described in this change order is \$148,000.00 ("Fixed-Fee"). The Fixed-Fee price is based on the information available at the time of signing and the assumptions, dependencies and constraints, and roles and responsibilities of the Parties, as stated in the SOW (to include SOW deliverables as attached to this change order) and this change order. Invoices will be sent on the monthly anniversary of the contract signing and due at the end of each progress month.



Change Order # 4
Support for Additional Duration of Project

Change Order # 4
Support for Additional Duration of Project

APPROVAL DETAILS			
Contributors: Peri Halliwell and Lori Piccinini			
Disposition:			
<input type="checkbox"/> Approved	<input type="checkbox"/> Rejected	<input type="checkbox"/> Closed	<input type="checkbox"/> Other
Comments:			
<hr/> <hr/> <hr/> <hr/>			
Submitted By	Approved By		
Name: Peri Halliwell	Name: Lori Piccinini		
Signature:	Signature:		
Date:	Date:		

Important Notes:

1. Any documentation to support this change should be attached to this document.
2. This form should be forwarded to the Agency Project Manager for Processing and Management Approval

Regional Business License and Permits Program
Explanation of Change Order
Friday, December 18, 2015

Change Order Request

The amount of the change order to retain the Accela project resources to the revised go-live date is \$148,000. The specific roles to be retained are detailed in the actual Change Order request and takes into account the revised go-live date of August 21, 2016. The estimate includes all Accela support costs and has been significantly discounted by Accela for the following considerations:

- The project's Statement of Work (SOW) provides for completion of this project in 16 months; from 9/15/2014 to 1/15/2016. The revised go live date is targeted for 8/21/2016 and support would end eight months beyond the original go-live date. Support costs for the eight month extension are \$264,800.
- User Acceptance Testing (UAT) support provided in the SOW spanned five weeks. The current plan extends UAT to 8 weeks. Given the complexity of this project, the additional time for UAT is requested to ensure use case scenarios are properly tested. Total additional UAT costs are \$36,000.
- The SOW specified that go live would be with version 7.3. To support best practices and remove the cost of an upgrade shortly after go-live, Accela worked with the agencies to move to 8.0 immediately upon its availability. Cost to upgrade after go live is estimated to have been between \$26,000 and \$30,800 for development, Accela Citizen Access (ACA) training, UAT and support during the transition. Intangible costs avoided include retraining of staff (front line and administrative), updates to processes and documentation, and the impact of the additional changes to the users. This is a cost the Agencies would have needed soon after go-live.

Summary of considerations in reducing the Change Order from a total of \$331,600 to \$148,000:

- Accela has reduced the change order from charging for only five instead of eight months to reflect the business partnership going forward (\$116,800 reduction)
- Accela will waive costs for additional UAT support (\$36,000 reduction)
- Accela has waived the service costs of upgrading to version 8.0 (\$26,000 - \$30,800 savings)
- Accela accepted responsibility for all Core scripting above the 30 scripts included in the SOW

Agency Percentage Breakdown Based on Entities Initial Contribution, Implementation and First Year Subscription from the Interlocal Agreement are:

- Reno – 28.5%
- County (includes Health) – 44.6%
- Sparks – 26.9%



WASHOE COUNTY
HEALTH DISTRICT

Accela Regional Permits and License Program – Projected Change Order 4 Amounts

Entity	Contribution	Total Projected Amount
Reno	24.5%	\$36,260.00
Washoe/Health	45.7%	\$67,636.00
Sparks	29.8%	\$44,104.00
Total Change Order		\$148,000.00

Per Interlocal Addendum A – Page 15:

Addendum A – Initial Financial Responsibility for Participating Entities

**INITIAL ENTITIES BASE CONTRIBUTION,
IMPLEMENTATION COST AND YEAR 1 SUBSCRIPTION COST**

Entity	Contribution %	Estimated contribution amount with project contingency of 5%¹
RENO	28.5%	\$ 475,221.63
COUNTY (includes HEALTH)	44.6%	\$ 743,680.17
SPARKS	26.9%	\$ 448,542.52
TOTAL PROJECT COST ==>		\$1,667,444.32

Details about Contribution % and Contribution Amount:

- Each ENTITY has three licensing subscriptions: Accela Automation (also called “Core”), Mobility, and Citizen Access.
- The above per ENTITY allocations were calculated based upon the number of seats per each subscription type, directly allocable implementation costs, and a percentage allocation for the regional implementation costs.
- The following spreadsheet details the summary percentages and amounts:

	All	Reno	Sparks	Washoe	Shared Base \$\$\$
	\$ 1,298,109.94				
Implementation - Direct		\$ 59,200.00	\$ 59,200.00	\$ 59,200.00	
Shared Implementation Allocation % (1)			24.5%	29.8%	45.7%
Shared Cost = All Costs - Direct					\$ 1,120,509.94
Shared Costs x Allocation %		\$ 274,524.94	\$ 333,911.96	\$ 312,073.04	
Total Implementation (Direct + Shared)		\$ 333,724.94	\$ 393,111.96	\$ 571,273.04	
Licensing % - Core (2)			43.7%	12.5%	43.7%
Agency Cost - Core		\$ 94,451.20	\$ 27,076.01	\$ 94,451.20	\$ 215,978.40
Licensing % - Mobile (2)			26.5%	13.6%	59.8%
Agency Cost - Mobile		\$ 14,094.18	\$ 7,248.44	\$ 31,812.58	\$ 53,155.20
Licensing % - Citizen Access (2)			53.7%	21.1%	25.2%
Agency Cost - Citizen Access		\$ 6,895.77	\$ 2,706.42	\$ 3,228.93	\$ 12,831.12
Total Licensing		\$ 115,441.15	\$ 37,030.87	\$ 129,492.71	
Grand Total		\$ 449,166.08	\$ 430,142.83	\$ 700,765.75	\$ 1,580,074.66
Percentage Allocation by Agency		28.5%	26.9%	44.6%	
Grand Total with 5% Contingency		\$ 475,221.63	\$ 448,542.52	\$ 743,680.17	\$ 1,667,444.32

Washoe County
BUSINESS LICENSE AND PERMITS SYSTEM CONTRACT

1. PARTIES AND DATE

- 1.1. This Agreement is made this 30th day of June, 2014 by and between Washoe County, a local government of the State of Nevada (hereinafter referred to as "COUNTY") and Accela, Inc. (hereinafter referred to as "Contractor"), both of which may be referred to hereinafter as the "Parties."

WITNESSETH:

The parties do agree as follows:

2. RECITALS

- 2.1. COUNTY issued a Request for Proposal ("RFP") dated 10/15/12 ("Exhibit A") seeking services to provide the County with a comprehensive, fully integrated BUSINESS LICENSE - PERMITS SYSTEM including installation, integration, conversion, training, documentation and project management services.
- 2.2. In response to the RFP, CONTRACTOR submitted a written Proposal dated 12/12/12 (the "Proposal") ("Exhibit B"). COUNTY and CONTRACTOR have agreed that CONTRACTOR will provide Subscription Services ("Subscription Services") to COUNTY.
- 2.3. In providing Subscription Services to COUNTY, CONTRACTOR will provide access to Subscription Software and deliver related Implementation Services, as more particularly described in this Agreement.

3. DEFINITIONS

3.1. Proposal; Request for Proposal

The term "Proposal" shall mean the formal, written response by the CONTRACTOR to the COUNTY's Request for Proposal (RFP) and all subsequently submitted written material clarifying and expanding upon the Proposal up through the date of this Agreement, but only as accepted by the COUNTY, all of which are attached hereto as Exhibit "B" and incorporated herein by this reference.

The term "Request For Proposal" shall mean the formal, written request for proposals issued by the COUNTY's, including subsequently issued written material clarifying or revising the request, all of which are attached hereto as Exhibit "A" and incorporated herein by this reference, except to the extent subsequent written objections, exceptions or clarifications were made in writing by CONTRACTOR.

3.2 Subscription Services; Implementation Services

The “Subscription Services”, the terms and conditions for which are set forth herein and particularly in Exhibit D hereto, entitles the County to access the subscription software in the Accela Cloud, with the ability for COUNTY to scale up or down in use as internal demand changes, pursuant to Sec. 4 of Exhibit D, and provides access to the Accela Automation enterprise platform and available products.

“Implementation Services” involve the use of Accela’s in-house professional services team (or one of several partners) to implement the Accela services provided in this Agreement. The Statement of Work providing the details of the Implementation Services to be performed is attached hereto as Exhibit E.

3.3 BUSINESS LICENSE – PERMITS - Subscription Services

The term “BUSINESS LICENSE – PERMITS” Subscription Services shall mean the COUNTY’S use of the Subscription Services, which utilizes the Accela Automation enterprise platform, pursuant to the terms and conditions of this Agreement, to perform the functions of Business Licensing, Planning & Land Development, Complaints and Code Enforcement, Permitting and Reporting.

3.4 LIST OF EXHIBITS:

3.4.1. Exhibit A – COUNTY’S REQUEST FOR PROPOSAL

3.4.2. Exhibit B – CONTRACTOR’S PROPOSAL

3.4.3. Exhibit C – PRICING EXHIBIT provides the pricing/fee information for the Subscription Services, including the products references, and the Implementation Services.

3.4.4. Exhibit D – Accela Subscription Terms and Conditions and its subsections (as provided below) provides additional terms and conditions governing the sale and use of Subscription Services, identified in Exhibit C.

3.4.5 Exhibit D-2 – Accela Security/Disaster Recovery;

3.4.6. Exhibit E – Statement of Work is the detailed description of the Implementations Services.

3.4.7. Exhibit F – Escrow Agreement (NCC Group) is CONTRACTOR’S standard escrow agreement with which the COUNTY may choose to participate through registration of payment of associated fees.

4. TERMS

4.1. CONTRACTOR to Provide Subscription Services and Implementation Services.

CONTRACTOR shall provide all software and related services required to furnish and make available the Subscription Services in accordance with CONTRACTOR’S Proposal and Exhibits C, D and E, hereto. COUNTY represents that it has the authority to bind additional jurisdictions/agencies to the terms and conditions of this Agreement and, pursuant to and relying

on this representation by COUNTY, CONTRACTOR agrees to provide services and the Subscription Services to additional jurisdictions/agencies so identified by COUNTY, provided that the additional services and Subscription Services are provided pursuant to an Amendment/Change Order to this Agreement and a Subscription Order and SOW are executed by CONTRACTOR and COUNTY (or through the execution of a Subscription Order with COUNTY and an SOW directly with the additional jurisdiction/agency). These additions may impact the fees owed to CONTRACTOR.

CONTRACTOR's disaster recovery/security provisions are provided in Exhibit D-2 attached hereto. COUNTY reserves the right to procure any non-proprietary hardware items from alternate sources.

4.2. Key Personnel

4.2.1. Key Personnel shall be as agreed and identified in Statement(s) of Work between the County and Contractor. These individuals will be dedicated to perform the services under this Agreement for the duration of this Agreement unless the individual becomes unavailable to perform as a result of death, illness, disability, termination of his or her employment relationship with CONTRACTOR or COUNTY elects to reduce staff levels.

If a Key Personnel becomes unavailable for one of these reasons, CONTRACTOR shall provide COUNTY with a resume of a proposed replacement within a ten working day period and will offer COUNTY an opportunity to interview the replacement. In no event will the interview of the replacement of the Key Personnel take more than five business days following the day the replacement resume is provided, unless expressly waived in writing by COUNTY. If COUNTY determines that the replacement proposed by CONTRACTOR does not have the ability and experience to perform the services required under this Agreement, COUNTY will so notify CONTRACTOR within a two-day period after the interview. In that situation, the process will be repeated until COUNTY has approves a replacement proposed by CONTRACTOR.

4.3. Independent Contractor

COUNTY is interested only in the results obtained under this Agreement. The manner and means of achieving the results are subject to CONTRACTOR's discretion and control. CONTRACTOR is an independent contractor for all purposes and is not an employee or agent of COUNTY. Nothing in this Agreement shall authorize or empower CONTRACTOR to speak for, represent or obligate COUNTY in any way, other than as specifically authorized in advance in writing by COUNTY. CONTRACTOR shall be solely responsible for filing appropriate federal, state, and local tax returns, and paying all such taxes or fees, including estimated taxes and employment taxes due, with respect to CONTRACTOR's receipt of payments under this Agreement.

4.4. Service and Equipment

COUNTY hereby agrees to purchase services and equipment upon the terms, conditions and provisions of this Agreement.

4.5. Costs for Services

The purchase price to COUNTY for the initial annual term of Subscription Services fees and Implementation fees provided by CONTRACTOR pursuant to this Agreement is **\$1,580,074.66** and is payable as provided in the Exhibit C – Pricing Exhibit. Exhibit C provides annual Subscription Services fees pricing for a period of five years from the effective date of this Agreement and Implementation Services fees pricing, consistent with the provisions of Exhibit C, D and E except when contrary to this Agreement’s provisions.

4.6. Delivery

The **Subscription Services** shall be made available by the CONTRACTOR in the manner set forth in this Agreement and particularly in Exhibit D and according to the requirements of Exhibit E, including but not limited to, the project schedule detailed in Exhibit E. The **Implementation Services** shall be provided in accordance with this Agreement and particularly in Exhibit E.

Subscription Services Availability

The Subscription Services CONTRACTOR makes available to COUNTY has been implemented and fully operational in an actual permitting and licensing department of a governmental entity in the United States for a minimum of six (6) months prior to executing the contract.

4.7. Acceptance

The CONTRACTOR’s provision of and the COUNTY’s acceptance of the Subscription Services and Implementation Services shall be as provided in this Agreement, particularly in Exhibits D and E, and at a minimum shall require written acceptance by COUNTY of all deliverables detailed in Exhibit E.

4.8. Proprietary Rights in Subscription Services/software are as described in Exhibit D, Section 6 of the Accela Subscription Terms and Conditions,

COUNTY acknowledges that title to, and ownership of, all applicable patents, copyrights and trade secrets in the Subscription Services and all other proprietary information pertaining to the Subscription Services shall remain the property of CONTRACTOR.

4.9. Software/Application Source Code

CONTRACTOR shall place, and update with each new version of the Subscriptions Services, the Application source code into escrow with a trustee of the CONTRACTOR’s choice and COUNTY shall have the ability to register by executing an Escrow Registration Agreement with CONTRACTOR’S trustee at COUNTY’S option and at its cost. The Escrow Agreement shall name the COUNTY as a beneficiary pursuant to the Escrow Registration Agreement. A copy of the Escrow Agreement is attached to this Agreement as Exhibit “F” and incorporated herein by this reference.

4.10. Subscription Services Support

Provided COUNTY pays the annual Subscription Services fees as stipulated in , Exhibit C and subsequent Subscription Orders, CONTRACTOR agrees to make available all maintenance and support, including upgrades, revisions and new releases to Application Software, as provided in this Agreement and particularly in Exhibits C and D .

4.11. Technical Assistance and Training

COUNTY may contact the CONTRACTOR's Support Center at no additional cost, to ask questions, seek advice, or obtain diagnostic analysis relating to the use of the Subscription Services using a toll free telephone number provided by CONTRACTOR all as provided in this Agreement and particularly in Exhibit D, Section 13. CONTRACTOR shall provide toll free telephone assistance at least 8 hours per business workday. CONTRACTOR shall retain trained and competent personnel to address such questions, render such advice and provide such analysis for the duration of this Agreement, as further provided in this Agreement and particularly in Exhibit D, Section 13.

Training courses shall be available by CONTRACTOR for COUNTY's benefit as long as the Subscription Services remains in use by COUNTY. Training courses shall be billed at no more than the then current rate for training as offered to other customers of CONTRACTOR for similar services.

4.12. Reliability and Response Time

System reliability uptime shall be no less than 99.9 percent monthly, as further described in Exhibit D, Sections 11-12. Remedies for Failure to Perform

In the event CONTRACTOR fails to perform within the requirements and criteria established herein, COUNTY shall be entitled to a credit adjustment toward amounts currently owed to CONTRACTOR or for future products or services, as provided in this section and as further described in Exhibit D, Section 11. Where credits exist at the end of the final term (where no renewal has occurred or the County terminates for cause) the dollar amount equal to the amount of unapplied Credit(s) will be paid to County. SUBSCRIPTION

4.13. Documentation

CONTRACTOR shall provide current, accurate documentation for the Subscription Services through Contractor's website and as specified in Exhibits D and E. Implementation Services are described in Exhibit E, and shall include documentation of implementation progress, as provided in Exhibit E.

4.14. Enhancements, Modifications and Revisions

Enhancements, modifications, upgrades, and revisions to the Subscription Services provided under this Agreement shall be made available by CONTRACTOR pursuant to this Agreement and particularly Exhibit D. For purposes of this Agreement, enhancements means all modifications, upgrades, new releases, and "fixes" released relating to the Subscription Services. Updated documentation shall be made available as enhancements are made available. After the initial term

of Subscription Services, enhancements, modifications, upgrades and revisions shall be provided upon payment of the annual Subscription Services fees and then throughout that applicable year.

5. IMPLEMENTATION, PAYMENT SCHEDULE AND RELATED SERVICES

5.1. Implementation Schedule

All aspects of Implementation, including but not limited to delivery, testing and acceptance and all related Services shall be completed in accordance with this Agreement and particularly the provisions and schedule provided in the Statement of Work, attached hereto as Exhibit E. The payment schedule for the Implementation Services is contained in Exhibit C.

5.2. Response and Reliability Remedies

If the Subscription Services do not operate pursuant to its published specifications and Exhibit D, County shall have the remedies provided in this Agreement and particularly as described in Exhibits D and E.

6. INSTALLATION DEPENDENCIES AND DELAYS

6.1. Time is of the Essence

Strict adherence to the scheduled delivery and installation dates, as provided in CONTRACTOR's Statement of Work (Exhibit E), is important to COUNTY and CONTRACTOR shall comply with the schedule as best as is within its control.

7. ADDITIONAL TERMS AND CONDITIONS OF THE WORK

7.1. Storage of Materials; Cleaning Up

CONTRACTOR shall be responsible for storage of any materials used in the installation and set-up of the Subscription Services and Implementation Services and COUNTY shall not be responsible for loss of, or damage to, materials, tools, or appliances arising from acts of theft, vandalism, malicious mischief or other causes. CONTRACTOR shall keep the installation site in a clean and orderly condition and shall remove daily any resulting debris.

7.2. Extra Work

No claims for extra work shall be allowed unless COUNTY provides prior approval in a written change order.

7.3. Change Orders

Design, development and implementation work on COUNTY approved, written change orders. CONTRACTOR and COUNTY shall negotiate in good faith and in a timely manner as to the price of change orders. If the Parties reach an agreement, the agreed price for the change order will be considered complete compensation and this Agreement shall be modified accordingly.

7.4. Reports

CONTRACTOR shall submit written monthly reports to the COUNTY's I.T. Director or designee so that COUNTY is kept informed of its progress.

8. GENERAL PROVISIONS

8.1. Assignment

Neither party shall have the right to assign all or any portion of its rights and licenses granted or delegate any obligations assumed under this Agreement, and any attempted assignment or delegation shall be null and void; provided, however, the CONTRACTOR shall have the right to assign this Agreement pursuant to Exhibit D - Section 24 of the Accela Subscription Terms and Conditions and delegate matters to such subcontractors as provided in CONTRACTOR's Proposal.

8.2. Termination

Notwithstanding anything to the contrary herein, this Agreement may be terminated by COUNTY and CONTRACTOR as follows:

8.2.1. For Default:

The County may terminate the Agreement for default due to the failure of CONTRACTOR to comply with any material term, condition, or provision of this Agreement shall constitute default. In the event of default, COUNTY shall notify the CONTRACTOR of the specific act or omission by CONTRACTOR, which constitutes default. The CONTRACTOR shall have fifteen (15) business days or such other time period as agreed in writing by the Parties given the nature of the default and reasonable time to remedy, from the date of receipt of such notification to correct such default. Termination for default shall be accomplished immediately upon written notice after failure to cure. CONTRACTOR shall refund to COUNTY any prepaid subscription fees covering the remainder of the applicable agreement term following termination. Termination of the Subscription Services by CONTRACTOR shall be as specified in Exhibit D., Section 20 of the Accela Subscription Terms and Conditions.

8.2.2. For Convenience:

The COUNTY may terminate this Agreement in whole or in part whenever for any reason COUNTY determines that such termination is in the best interest of COUNTY. In such event, COUNTY shall provide written notice to CONTRACTOR and termination shall be effective as of the date and time specified therein. The Agreement shall terminate without further obligation of COUNTY as of that date, except the CONTRACTOR shall be paid for all work performed up to that time. For a termination for convenience occurring after the initial five (5) year term of this Agreement, CONTRACTOR shall refund to COUNTY the pro-rata amount of the prepaid subscription fees applicable to the portion of the annual term following termination.

Termination for Bankruptcy or Insolvency

In the event CONTRACTOR shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or its assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of the rights of creditors, the COUNTY may exercise its right to acquire source code held in escrow, to the extent COUNTY has registered with the escrow agent, for the sole purpose of maintaining and updating the SUBSCRIPTION SERVICES to avoid cessation of service or loss to the COUNTY, and COUNTY may, at its option, terminate this Agreement. In such event of termination, COUNTY shall provide written notice to CONTRACTOR and termination shall be effective as of the date and time specified therein.

8.2.5 Termination for Unavailability of Funds

Notwithstanding any other provision of this Agreement, the Parties agree that the charges hereunder are payable by COUNTY solely from appropriated, otherwise unobligated funds. In the event such funds are determined in the sole discretion of COUNTY to no longer be available or to be insufficient with respect to the charges payable pursuant to this Agreement, COUNTY may terminate this Agreement without further obligation of COUNTY up to the effective date of termination, except CONTRACTOR shall be paid for all work performed to such date.

8.2.6 Procedure upon Termination

Upon termination of this Agreement by COUNTY, CONTRACTOR shall:

- 8.2.6.1 Cease work under this Agreement on the date and to the extent specified in the notice of termination;
- 8.2.6.2 Place no further orders or subcontract for materials, services or facilities, except as may be necessary for completion of such portion of the work under this Agreement as is not terminated;
- 8.2.6.3 Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated;
- 8.2.6.4 Assign to COUNTY, in the manner and to the extent directed by COUNTY, all of CONTRACTOR's rights, title, and interest under the orders or subcontracts so terminated, in which case COUNTY shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- 8.2.6.5 Take such action as may be necessary, or as COUNTY may direct, for the protection and preservation of any and all property or information related to this Agreement which is in the possession of the CONTRACTOR; and

8.2.6.6 Within fifteen (15) calendar days from the effective date of termination of the Subscription Services, CONTRACTOR will deliver to COUNTY all County's data, and any written materials specifically for County.

8.3 Confidentiality

8.3.5 During the course of the parties' relationship, they may have access to confidential information of the other. Confidential information shall not be disclosed, orally or in writing, to any third party without the prior written consent of the owner of such information

8.3.6 CONTRACTOR shall protect confidential information with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which CONTRACTOR utilized for CONTRACTOR's information which CONTRACTOR does not wish disclosed to the public.

8.3.7 COUNTY shall protect confidential information with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which COUNTY utilized for COUNTY's information which COUNTY does not wish disclosed to the public.

8.3.8 The Agreement imposes no obligation upon either party (Recipient) with respect to the other party's (Discloser's) confidential information which Recipient can establish by legally sufficient evidence: (a) was in the possession of, or was rightfully known by Recipient without an obligation to maintain its confidentiality prior to receipt from Discloser; (b) is or becomes generally known to the public without violation of this Agreement; (c) is obtained by Recipient in good faith from a third party having the right to disclose it without an obligation of confidentiality; or (d) was required to be disclosed by applicable law provided that Recipient notifies Discloser of such requirement prior to disclosure and provided further that Recipient makes diligent efforts to limit disclosure.

8.3.9 Laws to be Observed

The CONTRACTOR shall perform pursuant to this Agreement in compliance with all federal, state, and local laws.

8.4 Governing Laws; Venue

The validity, interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Nevada. The proper venue shall be the Second Judicial District Court in and for the County of Washoe, State of Nevada.

8.5 Permits and Licenses

CONTRACTOR shall procure all permits and licenses necessary to perform pursuant to this Agreement and pay all related charges and fees.

8.6 Taxes, Insurance and Miscellaneous Expenses

All statements of prices, fees and charges payable to CONTRACTOR are net to COUNTY excluding sales tax, delivery, transit insurance and other expenses of delivery. CONTRACTOR shall cooperate if the COUNTY elects to self accrue Sales or Use Tax.

8.7 Force Majeure

Neither party shall be responsible for delays resulting from causes beyond the control of the party including, but not limited to, delays resulting from governmental action, inability to obtain services, power failure, acts of God or the failure of any product or service neither manufactured nor provided by the parties.

8.8 No Third Party Beneficiaries

This Agreement is not intended to create any right in or for the public, or any member of the public, any subcontractor, supplier or any other third party, or to authorize anyone not a party to this Agreement to maintain a suit to enforce or take advantage of its terms.

8.9 Non-discrimination Standards

Every supplier of materials and services and all contractors doing business with the COUNTY shall be in compliance with applicable provisions of the Americans with Disabilities Act of 1990, and shall be and equal opportunity employer as defined by Title VII of the Civil Rights Act of 1964 As such, the contractor shall not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, age or sex with respect to hiring, application for employment, tenure or terms and conditions of employment, Contractors agree to abide by all of the foregoing statutes, regulations and ordinances and resolutions.

8.10 Jurisdictions Business License

Upon award of the contract, vendor shall provide proof of a current Washoe County, City of Reno or City of Sparks business license if the CONTRACTOR or subcontractor(s) is located in, or performs services within, the jurisdiction limits.

8.11 Conflict of Interest

CONTRACTOR hereby certifies that no officer, agent or employee of COUNTY who may have a pecuniary interest in this Agreement has participated in the contract negotiations on the part of COUNTY.

8.12 Notices

Notices shall be in writing and deemed given when personally delivered or three (3) day after deposited in the United States' mail, first class postage prepaid, return receipt requested, addressed to the person to whom notice is given at the addresses set forth below or at any other address designated by notice by a party:

To COUNTY:

Name Washoe County – Attn: Laura Schmidt
Title c/o Technology Services Chief Information Management Officer
Address P.O. Box 11130, Reno, NV 89520
Phone 775-328-2355
Fax 775-328-2356

To CONTRACTOR:

Name Contracts Administration – Attn: Colin Samuels
Title General Counsel
Address 2633 Camino Ramon, Ste. 500, San Ramon, CA 94583
Phone 925-659-3200
Fax 925-659-3201

9 INSURANCE

9.2 CONTRACTOR shall purchase Industrial Insurance, General Liability, Automobile Liability, and Property Insurance as described below:

9.2.5 Industrial Insurance. It is understood and agreed that there shall be no Industrial Insurance coverage provided for CONTRACTOR or any Subcontractor by COUNTY. CONTRACTOR agrees, as a precondition to the performance of any work under this Agreement and as a precondition to any obligation of the COUNTY to make any payment under this Agreement to provide COUNTY with a certificate issued by an in accordance with NRS 616B.627 and with a certificate of an insurer showing coverage pursuant to NRS 617.210.

9.2.6 It is further understood and agreed by and between COUNTY and CONTRACTOR that CONTRACTOR shall procure, pay for, and maintain the above mentioned industrial insurance coverage at CONTRACTOR'S sole cost and expense.

9.2.7 Public Liability Insurance or Commercial General Liability Insurance (Bodily Injury and Property Damage) of not less than \$1,000,000 combined single limit per occurrence, including but not limited to endorsements for the following coverages: Personal injury, premises-operations, blanket contractual and independent contractor's liability.

9.2.8 Commercial Automobile Liability Insurance (Bodily Injury and Property Damages) on owned, hired, leased, and non-owned vehicles used in connection with CONTRACTOR'S business of not less than \$1,000,000 combined single limit per occurrence.

9.2.9 Additional Insured. The COUNTY, its officers, employees, and volunteers are to be included as additional insureds as respects damages and defense arising from: activities performed by or on behalf of CONTRACTOR, including the insured's general supervision of CONTRACTOR; products and completed operations of CONTRACTOR; premises owned, occupied, or used by CONTRACTOR; or automobiles owned, leased, hired, or

borrowed by CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to COUNTY, its officers, employees, or volunteers.

9.2.10 Primary Coverage. The insurance required above shall provide that it is the primary coverage with respect to CONTRACTOR, the COUNTY, and all other additional insureds.

9.2.11 Cancellation Notice. The insurance required above shall provide that no cancellation or material change in any policy shall become effective except upon thirty (30) days prior written notice to the COUNTY.

9.2.12 Policy Deductibles. CONTRACTOR shall be responsible for all deductibles in all of CONTRACTOR'S insurance policies. The amount of deductibles for an insurance coverage required herein shall be reasonable and subject to the COUNTY'S approval.

9.2.13 Claims Made Insurance. In the event CONTRACTOR cannot provide an occurrence policy, CONTRACTOR shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.

9.3 Acceptability of Insurers

Insurance is to be placed with insurers with a Best's rating of no less than A-: VII. COUNTY, with the approval of the Risk Manager, may accept coverage with carriers having lower Best's ratings upon review of financial information concerning CONTRACTOR and insurance carrier. COUNTY reserves the right to require that CONTRACTOR'S insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

9.4 Verification of Coverage

CONTRACTOR shall furnish COUNTY with certificates of insurance and with original endorsements affecting coverage required by this exhibit. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. **All certificates and endorsements are to be addressed to the contracting department and be received and approved by COUNTY before work commences.** COUNTY reserves the right to require complete certified copies of all required insurance policies at any time.

9.5 Subcontractors

CONTRACTOR shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

9.6 Miscellaneous Conditions

9.6.5 CONTRACTOR shall be responsible for and remedy all damage or loss to any property, including property of COUNTY, to the extent caused by CONTRACTOR, any Subcontractor, or anyone employed, directed, or supervised by CONTRACTOR.

9.6.6 Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payment of damages to persons or property resulting from its operations or the operations of any Subcontractors under it.

9.6.7 In addition to any other remedies that COUNTY may have if CONTRACTOR fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, COUNTY may, at its sole option:

9.6.8 Order CONTRACTOR to stop work under this Agreement and/or withhold any payments which become due CONTRACTOR here under until CONTRACTOR demonstrates compliance with the requirements hereof; or,

9.6.9 Terminate the Agreement.

9.7 Cancellation Notice

This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to COUNTY.

9.8 Waiver of Subrogation

The insurance company agrees to waive all rights of subrogation against the COUNTY, its officers, agents, employees, or volunteers, for losses paid under the terms of the CONTRACTORS policy which arise from work performed by the named insured for COUNTY.

10 MISCELLANEOUS PROVISIONS

10.2 Modifications

This Agreement may be modified only by mutual agreement by the Parties in writing.

10.3 Waiver

No term or condition of this Agreement shall be deemed to have been waived, nor shall there be an estoppel against the enforcement of any provision, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver unless specifically stated therein and each such waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

10.4 Headings

The headings of parts, sections and subsections used in this Agreement are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

10.5 Number and Gender

Whenever applicable within this Agreement, the singular shall include the plural and the plural shall include the singular and a pronoun of one gender shall refer to any appropriate gender.

10.6 Conflicts Between Documents: Order of Precedence

In the event that there is a conflict between the documents comprising the Agreement, the order of precedence shall be as follows:

- (1) This Agreement,
- (2) Exhibits to this Agreement

Order of Precedence of Exhibits:

- (i) Exhibit C – Pricing Exhibit
- (ii) Exhibit E – Statement of Work for Implementation and any Change Orders/Amendments thereto.
- (iii) Exhibit D and D-2 – Subscription Terms and Conditions, Security/Disaster Recovery, all apply regarding Subscription Services.
- (iv) Exhibit A – County’s Request for Proposal
- (v) Exhibit B – Contractor’s Proposal

10.6.1 Exhibit F – Escrow Agreement – shall govern and take precedence with regard to all matters involving escrow and release of code.

10.7 Severability

Unless expressly provided otherwise, the provisions of this Agreement are severable, and the unenforceability of any provision shall not affect the enforceability of any other provision of this Agreement.

10.8 Inurements

The terms of this Agreement shall inure to the benefit of the Parties, including their successors and permissible assigns, if any.

10.9 Counterparts

This Agreement may be executed simultaneously or concurrently in one or more counterparts, each of which shall be deemed a duplicate original but all of which together shall constitute one and the same agreement.

10.10 Entire Agreement

The making, execution and delivery of this Agreement has been induced by no representations, statements, warranties or other agreements except as expressed by the written terms of this Agreement. The parties agree that this Agreement may not in any way be contradicted by a prior or existing course of dealing between them or by any usage of trade or custom.

10.11 Attorneys Fees

If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit.

10.12 Indemnification

Notwithstanding any other terms or conditions found in this Agreement, CONTRACTOR hereby agrees to hold harmless, indemnify, and defend COUNTY, its officers, agents, employees and volunteers from any loss or liability, financial or otherwise resulting from any claim, demand, suit, action, or cause of action based on bodily injury including death or property damage, including damage to CONTRACTOR or COUNTY property or injury to CONTRACTOR or COUNTY employees, to the extent caused by any action, either direct or passive, the omission, failure to act, or negligence on the part of CONTRACTOR, its employees, agents, representatives, or Subcontractors arising out of performance of work under this Agreement by CONTRACTOR, or by others under the direction or supervision of CONTRACTOR, unless such damage, loss, injury or death is caused by the action either direct or passive, the omission, or failure to act or the negligence of the COUNTY or its employees. Such indemnification shall be conditioned upon COUNTY giving CONTRACTOR prompt written notice of such claim, and shall not be reasonably withheld unless the timing of such notice shall prejudice contractor's ability to defend said claim.

Should CONTRACTOR refuse tender of defense and it is determined that a negligent act or omission in the work performed by CONTRACTOR resulted in the subject litigation CONTRACTOR agrees to pay COUNTY's reasonable cost related to its investigation and defense.

In determining the nature of the claim against COUNTY, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations against COUNTY.

CHAIRMAN OF THE BOARD OF

COUNTY COMMISSIONERS or CITY COUNCIL

CONTRACTOR

By: *[Signature]*
Chairman

By: *[Signature]*
Title: ASST. CORP. SECRETARY

ATTEST
[Signature]
Deputy Clerk
County Clerk

**Interlocal Cooperative Agreement
Establishing the Regional
Business License and Permits Program**



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**Interlocal Cooperative Agreement
Establishing the Regional Business License and Permits Program**

THIS INTERLOCAL COOPERATIVE AGREEMENT (the "**AGREEMENT**"), is dated the ____ day of _____, 2014 (the "**EFFECTIVE DATE**"), and is by and between the County of Washoe, a political subdivision of the State of Nevada (hereinafter called "**COUNTY**"), the City of Reno, a municipal corporation in the State of Nevada (hereinafter called "**RENO**"), the City of Sparks, a municipal corporation in the State of Nevada (hereinafter called "**SPARKS**"), and the Washoe County Health District, a special local district government in the State of Nevada (hereinafter called "**HEALTH**"). These four "**PARTICIPATING ENTITIES**" shall also be referred to singularly as an "**ENTITY**", or collectively as the "**ENTITIES**".

Recitals

- A. NRS 277.180 provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and
- B. The ENTITIES share a common goal of a regional, electronic business license and permits platform ("**PLATFORM**") among themselves and other interested agencies; and
- C. The ENTITIES have a history of cooperatively working on programs and projects of common benefit and interest.

NOW, THEREFORE, the PARTICIPATING ENTITIES agree as follows:

Article 1. Program Created; Fiscal Manager

- Section 1.1 The Business License and Permits Program" (the "**PROGRAM**") is established and shall initially include COUNTY, HEALTH, RENO and SPARKS.
- Section 1.2 As platform capacity permits, the OVERSIGHT GROUP may approve other agencies joining the PROGRAM as participating entities on a case-by-case basis subsequent to the EFFECTIVE DATE of this AGREEMENT.
- Section 1.3 The one-time costs for implementation and initial licensing for the initial ENTITIES are identified in Article 9 of this AGREEMENT.
- Section 1.4 The on-going contribution structure for the PLATFORM for annual maintenance and operations is identified in Article 10 of this AGREEMENT.
- Section 1.5 The financing arrangements for ENTITIES opting into the COUNTY's financing feature are identified in Article 12 of this AGREEMENT.
- Section 1.6 Additional new agency procedures and cost principles are identified in Article 13.
- Section 1.7 The COUNTY, hereby agrees to serve as FISCAL MANAGER for the PROGRAM, and agrees to assume contractual and financial responsibility for purposes of the requirements of the PROGRAM, subject to direction of the PROGRAM's Management Oversight Group (the "**OVERSIGHT GROUP**"), as the case may be and as authorized

herein.

- Section 1.8 The FISCAL MANAGER shall provide all relevant books, records (written, electronic, computer related or otherwise), including, without limitation, financial statements and supporting documentation, and shall prepare all reports (including quarterly interim and final reports) regarding the PROGRAM for inspection, examination, review, audit and copying at any office or location of the FISCAL MANAGER when reasonably requested by the OVERSIGHT GROUP or by any ENTITY.
- Section 1.9 The FISCAL MANAGER shall establish and operate for the use of the PROGRAM a designated internal account or fund ("ACCOUNT") segregated on the FISCAL MANAGER's books. The FISCAL MANAGER shall establish and maintain the ACCOUNT until termination of this AGREEMENT, and the ACCOUNT shall constitute a dedicated fund held by the FISCAL MANAGER as agent for, and for the benefit of, the PROGRAM. All funds received by the FISCAL MANAGER from the ENTITIES providing funding for the PROGRAM shall be deposited into this ACCOUNT. All amounts deposited into this ACCOUNT shall be used solely to support the PROGRAM in a manner that is consistent with this AGREEMENT and the OVERSIGHT GROUP requirements as set herein.
- Section 1.10 The FISCAL MANAGER shall encumber and disburse funds from the ACCOUNT pursuant to the approved Annual Maintenance and Operations Budget and approved contracts' requirements as directed by the OVERSIGHT GROUP (see Articles 4 and 8). The proposed disbursement shall be used exclusively for PROGRAM purposes.
- Section 1.11 The FISCAL MANAGER shall maintain all financial records relating to the PROGRAM according to Generally Accepted Accounting Principles, retain records as long as required by law, and make records available to auditors as required by law.
- Section 1.12 To the extent permitted by law, each ENTITY hereby agrees to indemnify and hold harmless the FISCAL MANAGER, its directors, officers, employees, attorneys, and agents harmless from any and all costs, claims, losses, expenses (including attorneys' fees and expenses), and liabilities incurred by reason of any action taken by the FISCAL MANAGER at the direction of the OVERSIGHT GROUP or authorized agent pursuant to this AGREEMENT or arising out of or in connection with the FISCAL MANAGER's performance of its duties and obligations hereunder for any reason, excepting such losses, liabilities, demands, claims, expenses, and attorneys' fees which result solely from the willful misconduct of the FISCAL MANAGER. Each ENTITY's indemnification obligations under this Section shall be limited and satisfied by the ENTITIES in the proportions established during the initial PROGRAM set-up or through the Annual Maintenance and Operations Budget, whichever is later. Each ENTITY shall be permitted to participate with its legal counsel, if it chooses, in the defense of any action so long as the ENTITY remains subject to the court's jurisdiction in that case.
- Section 1.13 In the event this AGREEMENT is terminated, the FISCAL MANAGER will comply with any termination conditions imposed by this Agreement or the OVERSIGHT GROUP so long as the conditions are consistent with this AGREEMENT.

Article 2. Term

- Section 2.1 This AGREEMENT commences on the EFFECTIVE DATE for a term that expires on June 30, 2020, and shall automatically renew on July 1, 2020, and every six years

thereafter unless terminated earlier as provided herein.

Article 3. Functions of the Program

- Section 3.1 To undertake implementation, management and maintenance of all aspects of a regional business license and permits platform for the ENTITIES, the following functions are conferred to the PROGRAM:
- (a). The planning, designing, setting of standards, financing, implementation, operation, upgrading, and maintenance of the project to join the ENTITIES in the regional business license and permits platform (“PLATFORM”).
 - (b). Directing the FISCAL MANAGER regarding vendor selection, contract requirements, costs, product delivery schedule, contract amendments, change orders, peripheral equipment purchase, system configuration, training, and related items.
 - (c) Directing the FISCAL MANAGER to enter into contracts for the planning, designing, financing, implementation, operation and maintenance of the PLATFORM, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela.

Article 4. Administration

- Section 4.1 The administration of the business and affairs of the PROGRAM shall be conducted and managed by the OVERSIGHT GROUP. As needed, this OVERSIGHT GROUP shall be supported by designated staff from each ENTITY for administrative and technical purposes. ENTITIES agree to respond and assist as requested by the OVERSIGHT GROUP.
- Section 4.2 The OVERSIGHT GROUP shall include the Reno City Manager, Sparks City Manager, Washoe County Manager and the District Health Officer. A new ENTITY shall be entitled to one representative on the OVERSIGHT GROUP. Each ENTITY’s representative or his/hers designee shall have the authority to exercise all authority granted herein.
- Section 4.3 The OVERSIGHT GROUP’s meetings must be open and public and conducted in compliance with the Nevada Open Meeting Law (NRS Chapter 241).
- Section 4.4 A majority of the OVERSIGHT GROUP must be present in order to conduct business at a meeting. A proposed action is approved by an affirmative vote of all of the ENTITIES of the OVERSIGHT GROUP who are present at the meeting where the action is considered. However, all ENTITIES must be present when action is to be considered on the Annual Maintenance and Operations Budget, additional ENTITIES, any termination matter under Article 15, and any amendment of this AGREEMENT.

Article 5. Responsibilities

- Section 5.1 In furtherance of the functions in Article 3, and subject to the limitations thereof, the

OVERSIGHT GROUP can undertake any of the following:

- (a). Prepare, review, approve, and implement PLATFORM standards, specifications, plans, and annual operating plans and procedures for all PROGRAM activities.
- (b). To request the FISCAL MANAGER to contract for the services of business and information technology consultants, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela, pursuant to all applicable state law requirements.
- (c). To request the FISCAL MANAGER to contract with any entity or other public agency for the provision of services to or by the PROGRAM, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela, pursuant to all applicable state law requirements.
- (d). To request the FISCAL MANAGER to enter into such contracts for the planning, designing, financing, implementation, operation, and maintenance of the PLATFORM and other work as necessary to carry out functions, so long as each contract is for an amount less than \$50,000, save and except the vendor contract with Accela, subject to limits in section 8.3.
- (e). To assess ENTITIES for their agreed on share of administrative, operation, maintenance, and capital costs of the PROGRAM.

Article 6. Fiscal Year

Section 6.1 The fiscal year of the PROGRAM shall be July 1 through June 30.

Article 7. Services and Facilities available to Program

Section 7.1 The PROGRAM shall have access to the services and facilities of the ENTITIES as required.

Article 8. Fiscal Matters

Section 8.1 Unless otherwise provided by law, a tentative Annual Maintenance and Operations Budget shall be prepared by the FISCAL MANAGER and be ultimately recommended by the OVERSIGHT GROUP for each ensuing fiscal year on or before February 28 or the preliminary budget submission deadline of the FISCAL MANAGER, whichever is earlier, with the final annual budget being adopted on or before June 1 or the budget adoption deadline of the FISCAL MANAGER, whichever is earlier. The Budget shall then be presented for adoption to each entity. The base Annual Maintenance and Operations Budget for any fiscal year shall consist of:

- (a). applicable system software subscription costs and fees (e.g., system licensing, maintenance, and support);
- (b). system hardware and associated peripheral equipment costs (e.g., database and web servers necessary to maintain or enhance the PLATFORM), and;
- (c). any other agreed upon operating support costs necessary to maintain the PLATFORM.

Each ENTITY, however, shall be solely responsible for its own desktop, tablet, or

personal device hardware, software, and related peripheral equipment costs (e.g., desktop and laptop computers; mobile devices; printers).

- Section 8.2 The OVERSIGHT GROUP may include any other shared costs in the Annual Maintenance and Operations Budget that it deems reasonable and appropriate.
- Section 8.3 The OVERSIGHT GROUP shall not, during any fiscal year, expend or contract to expend any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts appropriated in the annual budget for any category of expenditure, unless such expenditure is specifically approved by the ENTITIES.
- Section 8.4 Complete books and accounts shall be maintained for the PROGRAM by the FISCAL MANAGER in accordance with Generally Accepted Accounting Principles and standards, including compliance with all applicable statutes and regulations.
- Section 8.5 The FISCAL MANAGER shall provide for an annual audit of all funds and accounts pursuant to NRS 354.624, and distribute it to the OVERSIGHT GROUP.

Article 9. Contributions for Implementation and Initial Subscription Services

- Section 9.1 The initial contributions from the ENTITIES for the PLATFORM include payment for the PLATFORM's implementation and the first-year subscription service costs. Licensing of the software for the PLATFORM is based upon purchasing, or subscribing to, specific components of the software. These components and associated costs are outlined in Addendum "A", which is attached hereto and incorporated herein by this reference.
- Section 9.2 As its initial contribution to the PROGRAM for implementation and first-year subscription service costs, COUNTY agrees to pay, or cause to be paid, \$743,680.17 to the FISCAL MANAGER for this AGREEMENT. This amount includes the cost contribution of HEALTH, pursuant to the budget practices of HEALTH and the COUNTY as prescribed in their interlocal agreement and as authorized by NRS Chapters 277 and 354.
- Section 9.3 As their initial contributions to the PROGRAM for implementation and first-year subscription service costs, RENO agrees to pay, or cause to be paid, \$475,221.63, and SPARKS agrees to pay, or cause to be paid, \$448,542.52, to the FISCAL MANAGER for this AGREEMENT.
- Section 9.4 Each ENTITY's initial contribution to the PROGRAM is due and payable in accordance to the repayment schedule contained in Addendum "D" or within twenty (20) business days of the EFFECTIVE DATE of this AGREEMENT or acceptance as a new ENTITY, whichever is most applicable.

Article 10. Administration of Annual Maintenance and Operations Budget

- Section 10.1 Each ENTITY is responsible for a portion of and shall pay a portion of the financial obligations of the PROGRAM with respect to the Annual Maintenance and Operations Budget. These portions are determined according to and are set forth in Addendum "B," which is attached hereto and incorporated herein by this reference.

Initially, RENO's annual subscription service portion is estimated at \$115,441.15, SPARKS at \$37,030.87, WASHOE at \$71,411.37, and HEALTH at \$58,081.34.

- Section 10.2 These portions will change over time and the calculations to arrive at said changes are outlined in Addendum "B". Portions for each ENTITY shall be articulated during the Annual Maintenance and Operations Budget process coordinated by the FISCAL MANAGER and approved by the OVERSIGHT GROUP.
- Section 10.3 Each ENTITY shall pay in full, when due, its obligations herein agreed to be paid. Each ENTITY shall be liable to the PROGRAM and every other ENTITY to pay its respective share of the Annual Maintenance and Operations Budget and any other obligations assessed against the ENTITIES in accordance with this AGREEMENT.
- Section 10.4 The calculation of the user counts of the PLATFORM as used in Addendum "B" shall be performed annually by the FISCAL MANAGER and shall be approved by the OVERSIGHT GROUP, with the timing such that user counts will be used as part of the Annual Maintenance and Operations Budget planning and payments cycle. Each ENTITY's share of the Annual Maintenance and Operations Budget shall be set for the fiscal year.
- Section 10.5 The OVERSIGHT GROUP, in development of the Annual Maintenance and Operations Budget, may establish and maintain an appropriate level of PROGRAM reserves to assess each ENTITY for future system support and/or equipment requirements according to their respective prorated shares or an amount deemed appropriate by the OVERSIGHT GROUP consistent with law and generally accepted standards. The OVERSIGHT GROUP shall determine how to best apply such excess in support of the purposes of this AGREEMENT, consistent with both law and generally accepted standards.
- Section 10.6 As FISCAL MANAGER and contract administrator for the PROGRAM, COUNTY will perform some PLATFORM administrative support(e.g., budget preparation, technical work on behalf of the PROGRAM, billing and receivables, and financial accounting). COUNTY personnel and COUNTY contractors necessary to do so shall be under the direction of the COUNTY information technology central function (TECHNOLOGY SERVICES or TS) and shall be responsible on a day-to-day basis to the COUNTY's County Manager or his/her designee.
- Section 10.7 For this PLATFORM administrative support, the FISCAL MANAGER will request on a yearly basis reimbursement or cost recovery, and will submit, as part of the Annual Operating Budget to the OVERSIGHT GROUP, a request for reasonable direct cost recovery for staff time used. Such request shall be voted upon by the OVERSIGHT GROUP and if approved will become a part of the Annual Operating Budget. The FISCAL MANAGER shall document an itemized list of requested recovery to be apportioned to the ENTITIES. The request shall show tasks with staff titles, estimated hours per task and hourly rate per staff, where the hourly rate is the actual salary plus benefits rate of the specified staff resource.
- Section 10.8 Contributions or advances of public funds and of personnel, supplies, equipment, or property may be made to the PROGRAM by any ENTITY for any of the purposes of this AGREEMENT, with the consent of the OVERSIGHT GROUP and within the budget amount. Any such advance may be made subject to repayment as agreed to by the OVERSIGHT GROUP and ENTITIES as applicable.
- Section 10.9 No person, including the ENTITIES, may receive reimbursement from the PROGRAM for expenditures on behalf of the PROGRAM in excess of \$1,000, unless

the OVERSIGHT GROUP approves such reimbursement.

Article 11. Personnel for Platform Implementation and Maintenance

- Section 11.1 All ENTITIES shall commit the ENTITY's personnel to assist with the initial implementation and then on-going maintenance, operation, and repair of the PLATFORM. ENTITY personnel shall be under the direction of their respective management but shall also cooperate with assignments made by the OVERSIGHT GROUP as needed for PLATFORM stability, maintenance, and operation. The OVERSIGHT GROUP may adopt a personnel cost reimbursement policy for authorized ENTITY personnel work that benefits the overall PLATFORM within the budget amount.
- Section 11.2 Work performed by private contractors, each contract of which shall be in an amount less than \$50,000, save and except the vendor contract with Accela, unless otherwise approved by the ENTITIES, that is not established in the Annual Maintenance and Operations Budget and is authorized by the OVERSIGHT GROUP shall be paid out of reserves or otherwise assessed to the ENTITIES according to their proportions established for the Annual Maintenance and Operations Budget.

Article 12. Entity Payments and Financing Options

- Section 12.1 Each ENTITY's payment obligations hereunder shall be tendered as set forth herein. The COUNTY as FISCAL MANAGER shall provide an invoice to each ENTITY, at least twenty-eight (28) days prior to a due date of any ENTITY payment obligation, including a PLATFORM vendor payment, of the amount owed to the COUNTY to cover the ENTITY's payment obligations. Payment from an ENTITY will be due to the COUNTY within twenty-one (21) business days of billing.
- Section 12.2 A "regional technology fee" may be imposed by the initial ENTITIES upon their customers utilizing the PLATFORM for a minimum of one year, commencing upon go live of the PLATFORM. The "regional technology fee" shall be consistent among the ENTITIES and shall include the following: business permits - 4%; annual business license - \$4; quarterly business license - \$2.
- Section 12.3 The COUNTY offers a financing option for the initial ENTITIES of RENO and SPARKS for the amount of the initial implementation costs to set-up the PLATFORM plus the first year of subscription costs. Should RENO or SPARKS opt into this financing, COUNTY shall advance payment of these costs on behalf of the ENTITY, and said advance payments shall constitute a loan to the applicable initial ENTITIES to be repaid to the COUNTY on a five-year quarterly payment amortization schedule at an annual rate of 1.99% on the declining balance, according to the schedule attached hereto as Addendum "D", which is incorporated herein by this reference.
- Section 12.4 If any ENTITY fails to timely remit any payment obligations by the due date, the amount due shall accumulate late fees at the COUNTY'S standard published rate (based upon prime plus 2%) on the entire balance due. If the ENTITY's full payment is not received by the date the COUNTY's payment is due to the PLATFORM vendor, that ENTITY's amount will be deducted from that ENTITY's share of the Capital Facilities Property Tax collected pursuant to NRS 354.59815. ENTITIES hereby grant to COUNTY as FISCAL MANAGER hereunder full authority and right to

deduct and apply the ENTITY's portion of said Capital Facilities Property Tax to the extent of that referenced amount.

Article 13. Additional Participating Agencies

- Section 13.1 As PLATFORM capacity permits, the OVERSIGHT GROUP may approve other public agencies joining the PROGRAM on a case by case basis. An approved additional agency shall have all rights, privileges, obligations, and liabilities as current ENTITIES pursuant to this AGREEMENT.
- Section 13.2 An additional agency's immediate contribution for operating costs shall consist of its required number of automation and mobile seats together with its population related to the citizen access portal feature, as further described in Addendum "B". These seats shall be assessed to the agency according to the calculations in Addendum "C". Agencies joining within the first three (3) years of the vendor contract may receive a subscription cost benefit if their seat numbers fall within the cap identified in the vendor contract. This cap is set by the seat range to which the PROGRAM has contracted. The discount per seat shall be 50% of the per seat cost if within the three years and under the cap. All other seats shall cost 100% of the then current per seat cost according to the vendor contract.
- Section 13.3 The initial costs shall also include implementation fees, for which the additional agency is solely responsible. Should the additional agency seek consulting, technical and/or project management assistance from other, existing ENTITIES, such assistance shall be under the guidance, oversight, and financial reimbursement according to the powers and approval of the OVERSIGHT GROUP and the FISCAL MANAGER.
- Section 13.4 On-going new agency costs shall include apportionment of the Annual Maintenance and Operations Budget according to the calculations in Addendum "C".
- Section 13.5 The addition to the PROGRAM of a new agency shall not cause adjustments to the ENTITY contributions and apportionments for the then current Annual Maintenance and Operations Budget. Any such adjustments shall take effect in the next fiscal year.

Article 14. Rights and Obligations of Participating Entities

- Section 14.1 All ENTITIES shall have all rights as are set forth in this AGREEMENT. Specifically and subject to the terms of this AGREEMENT, all ENTITIES shall have the right to access and use the PLATFORM, and the information contained therein, to the extent permitted by law.
- Section 14.2 All ENTITIES are obligated to comply with the terms of this AGREEMENT and are bound by the provisions hereof. Each ENTITY has received a copy of the COUNTY'S contract with the vendor, Accela. The ENTITIES agree to cooperate in supporting the COUNTY'S duties and obligations under the Accela Contract.
- Section 14.3 Subject to the limitations of applicable laws, and without waiving any statutory protections, including the NRS Chapter 41 liability limits, each ENTITY shall indemnify, protect, defend, and hold harmless the other ENTITIES, their respective governing boards, officers, directors, employees, authorized agents, and their respective successors and assigns from and against any and all claims, expenses,

losses, or liability of any kind arising out of such ENTITY's respective performance pursuant to this AGREEMENT up to the amounts paid annually by each ENTITY. Each ENTITY shall rely on its own self-insurance or insurance for coverage and relief of any and all kinds regarding the purposes and operations under this AGREEMENT.

Article 15. Termination of Agreement

- Section 15.1 The PROGRAM shall continue in existence pursuant to the terms set forth in Section 2 of this AGREEMENT until dissolved in accordance with the terms of this Article.
- Section 15.2 This AGREEMENT may be rescinded and the PROGRAM terminated at any time by a written agreement of termination executed by all ENTITIES, provided that any obligations owed to the vendor, Accela, or to the COUNTY arising hereunder are paid in full prior to termination. On termination of the PROGRAM under this Article, all of the assets of the PROGRAM, if any, shall be distributed according to the ENTITIES' prorated share of the Annual Maintenance and Operations Budget.
- Section 15.3 An ENTITY may unilaterally terminate its membership under this AGREEMENT without cause, subject to certain conditions set forth in Section 15.4 below. However, COUNTY, RENO, SPARKS and HEALTH, as the initial ENTITIES, and in consideration of their respective contributions and service-level commitments, agree not to exercise this right, if at all, nor serve termination notice, until after expiration of the original term set forth in Section 2.1.
- Section 15.4 A ENTITY electing to terminate its membership must first:
- (a). Provide the PROGRAM a formal, written one (1) full fiscal year notice of intent to terminate;
 - (b). Be current on all payment obligations at the time of both service of termination notice and effective date of termination;
 - (c). Provide a payment to the FISCAL MANAGER on or before the effective date of termination in the amount of any outstanding prorated share of implementation costs and annual contribution costs for the terminating ENTITY, as well as full payment of any outstanding obligations owed to the COUNTY arising hereunder; and,
 - (d). Agree to reasonable amendments, modifications and/or assignments of existing PROGRAM contracts relating to the PLATFORM, sign all documents, make all approvals, and take all actions necessary and appropriate that: (i) minimize the operational and financial impact on the other ENTITIES of the PROGRAM; and, (ii) do not materially or substantially increase the terminating ENTITY's financial obligations set forth in subsection (b), above.
- Section 15.5 An ENTITY may be terminated and removed from the PROGRAM in the event of its default on any obligation hereunder that remains uncured for thirty (30) calendar days following delivery of notice of default approved by the OVERSIGHT GROUP (the "Defaulting ENTITY"). If such an event of default occurs, the Defaulting ENTITY shall:
- (a) Provide a payment to the PROGRAM within thirty (30) days following the effective date of termination of a sum equal to the Defaulting ENTITY's outstanding prorated share of implementation costs and annual contribution costs, as well as full payment of any outstanding obligations owed to the COUNTY arising hereunder; and,

(b) Agree to reasonable amendments, modifications and/or assignments of existing PROGRAM contracts relating to the PLATFORM; sign all documents; make all approvals; and take all actions necessary and appropriate that: (i) minimize the operational and financial impact on the other ENTITIES of the PROGRAM; and, (ii) do not materially or substantially increase the Defaulting ENTITY'S financial obligations set forth in subsection (a), above.

All remedies stated in this Agreement are cumulative with each other and with any remedy afforded in law or equity. The election of any remedy does not constitute a waiver of any other remedy.

Article 16. Notices

Section 16.1 All notices under this AGREEMENT shall be in writing and shall be deemed to be delivered on the earlier to occur of (i) the date of actual receipt of the notice (regardless of how it is delivered), and (ii) whether or not actually received, two (2) days after the notice has been deposited in the United States mail, postage paid, registered or certified mail, return receipt requested, addressed to the ENTITIES or PROGRAM, as the case may be, at the addresses set forth in Addendum "E".

Article 17. Miscellaneous Provisions

Section 17.1 Amendment. There are no oral agreements, understandings, warranties, or representations between the parties hereto with respect to the subject matter covered by this AGREEMENT. This AGREEMENT is not intended to have any legal effect, or to be a legally binding agreement, or any evidence thereof, until it has been signed by each of the initial four (4) parties hereto. Except as otherwise provided in Section 1.2 and Article 13 above, this AGREEMENT shall not be amended or modified in any way except by an instrument in writing executed by each of the ENTITIES in the PROGRAM.

Section 17.2 Successors and Assigns. This AGREEMENT is entered into for the exclusive benefit of the parties hereto and no other party shall derive any rights or benefits herefrom.

Section 17.3 Governing Law and Venue. This AGREEMENT shall be construed and enforced in accordance with the laws of the State of Nevada in the state court sitting in Washoe County.

Section 17.4 Counterparts. This AGREEMENT may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this AGREEMENT by signing any such counterpart.

Section 17.5 Captions and Interpretation. The captions and section headings appearing in this AGREEMENT are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this AGREEMENT.

Section 17.6 Severability. If any provision of this AGREEMENT is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, provided that the essential terms of this AGREEMENT remain valid, binding and enforceable; (i) the other provisions hereof shall remain in full force and effect in such jurisdiction; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not

Addendum A – Initial Financial Responsibility for Participating Entities

**INITIAL ENTITIES BASE CONTRIBUTION,
IMPLEMENTATION COST AND YEAR 1 SUBSCRIPTION COST**

Entity	Contribution %	Estimated contribution amount with project contingency of 5%¹
RENO	28.5%	\$ 475,221.63
COUNTY (includes HEALTH)	44.6%	\$ 743,680.17
SPARKS	26.9%	\$ 448,542.52
TOTAL PROJECT COST ==>		\$1,667,444.32

Details about Contribution % and Contribution Amount:

- Each ENTITY has three licensing subscriptions: Accela Automation (also called “Core”), Mobility, and Citizen Access.
- The above per ENTITY allocations were calculated based upon the number of seats per each subscription type, directly allocable implementation costs, and a percentage allocation for the regional implementation costs.
- The following spreadsheet details the summary percentages and amounts:

	All \$ 1,298,109.94	Reno	Sparks	Washoe	Shared Base \$\$\$
Implementation - Direct	\$ 59,200.00	\$ 59,200.00	\$ 59,200.00	\$ 59,200.00	
Shared Implementation Allocation % (1)			24.5%	29.8%	45.7%
Shared Cost - All Costs - Direct					\$ 1,120,509.94
Shared Costs x Allocation %	\$ 274,524.94	\$ 333,911.96	\$ 512,073.04		
Total Implementation (Direct + Shared)	\$ 333,724.94	\$ 393,111.96	\$ 571,273.04		
Licensing % - Core (2)		43.7%		12.5%	43.7%
Agency Cost - Core	\$ 94,451.20	\$ 27,076.01	\$ 94,451.20	\$ 94,451.20	\$ 215,978.40
Licensing % - Mobile (2)		26.5%		13.6%	59.8%
Agency Cost - Mobile	\$ 14,094.18	\$ 7,248.44	\$ 31,812.58	\$ 31,812.58	\$ 53,155.20
Licensing % - Citizen Access (2)		53.7%		21.1%	25.2%
Agency Cost - Citizen Access	\$ 6,895.77	\$ 2,706.42	\$ 3,278.93	\$ 3,278.93	\$ 12,831.12
Total Licensing	\$ 115,441.15	\$ 37,030.87	\$ 129,492.71		
Grand Total	\$ 449,166.08	\$ 430,142.83	\$ 700,765.75		\$ 1,580,074.66
Percentage Allocation by Agency	28.5%	26.9%	44.6%		
Grand Total with 5% Contingency	\$ 475,221.63	\$ 448,542.52	\$ 743,680.17		\$ 1,667,444.32

(1) To get to Percentage by Agency - Used stand-alone implementation quotes for all agencies, added them up and then calculated percentage splits.

(2) Details of break down of license type (Core, Mobility and Citizen Access) by agency:

	Core Functions	%	Mobility	%	Internet/Citizen Access (based on population)	%
Reno	150	43.7%	35	26.5%	229,859	53.7%
Sparks	43	12.5%	18	13.6%	90,214	21.1%
Washoe	150	43.7%	79	59.8%	107,631	25.2%
TOTALS	343	100.0%	132	100.0%	427,704	100.0%

¹ This amount may change depending on final contract negotiations with the vendor (Accela) of the PLATFORM. Should the final contract price change, each ENTITY shall pay in accordance to the percentage obligation as listed above.

	Reno	Sparks	Washoe	Health
On-going Maintenance	\$ 115,441.15	\$ 37,030.87	\$ 71,411.37	\$ 58,081.34
On-going Maintenance %	40.9%	13.1%	25.3%	20.6%

Core Users	150	43	81	69
Annual Core Costs	\$ 94,451.20	\$ 27,076.01	\$ 51,003.65	\$ 43,447.55
Mobile Users	35	18	37	42
Annual Mobile Costs	\$ 14,094.18	\$ 7,248.44	\$ 17,178.79	\$ 14,633.79
Population	229,859	90,214	107,631	
Annual Population %	53.7%	21.1%	25.2%	
Annual Population Costs *	\$ 6,895.77	\$ 2,706.42	\$ 3,228.93	

Grand Total Per Agency	\$ 115,441.15	\$ 37,030.87	\$ 71,411.37	\$ 58,081.34
			\$	129,492.71

Grand Total All Agencies	\$			281,964.73
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Addendum C - New Participating Agency Contribution

After this AGREEMENT is effective, subsequent entities may be added in accordance with Article 13 of this AGREEMENT. Such subsequent entities shall incur several fees, including:
 (a). prorated initial seat costs for Accela Automation, Accela Mobile, and Accela Citizen Access;
 (b). apportioned fees for the Annual Maintenance and Operations Budget.

The initial seat costs shall be incurred by the new agency according to the following calculation:

$$\begin{aligned}
 &(\text{entity \# of Accela Automation Seats} \quad \times \quad 50\% \text{ or } 100\% \text{ of Per Seat Cost}^3) \times \text{Pro-ration}^4 + \\
 &(\text{entity \# of Accela Mobile Seats} \quad \times \quad 50\% \text{ or } 100\% \text{ of Per Seat Cost}) \times \text{Pro-ration} + \\
 &(\text{Increase in Accela Citizen Access Due to New entity Population}^5) \times \text{Pro-ration} = \\
 &\qquad\qquad\qquad \underline{\text{Total Agency Buy-in Contribution}}
 \end{aligned}$$

Example: New entity Contribution

1. Accela Automation Seats = 20
2. Accela Mobile Seats = 8
3. Population = 100,520
4. Total New Agency Buy-in Contribution =

	Seats	Regular Per Seat Cost	At or Below Cap Per Seat Cost	New entity Buy-in (At or Below Cap)	New entity Buy-in (Above Cap)
Automation	20	\$59.40	\$29.70	\$7,128.00	\$14,256.00
Mobile	8	\$39.20	\$19.60	\$1,881.60	\$3,763.20
Citizen Access		N/A	N/A	\$3,000.00	\$3,000.00
				\$12,009.60	\$21,019.20
			Pro-rated for 8 months ==>	\$8,006.40	\$14,012.80

Thus, total initial new entity costs would be in the range of \$8,006.40 to 14,012.80 + Implementation costs. Any implementation costs shall be managed and incurred solely by the new entity.

Apportioned fees for the Annual Maintenance and Operations Budget shall be calculated in the new budget year as per the standard process.

³ Accela offers a varying cap based upon the number of subscription seats under contract. The PLATFORM will pass on a 50% discount to additional new entity if their seat count means that the overall PLATFORM is at or below the Accela cap for Automation or Mobile seats within the first three years of the Accela contract. After three years, all new seats will be at the 100% per seat cost at the time of joining. For the PLATFORMS's current range of 300-399 Automation seats, the cap is 549 users. For the PLATFORM's current range of 100-199 Mobile seats, the cap is 299.

⁴ Pro-ration will be done to the nearest month for the remainder of the Fiscal Year.

⁵ Accela Citizen Access is based upon population. The new entity's population will be added to the existing population of other entity and the additional Citizen Access costs shall be allocated to the new member.

Addendum D – Initial Funding and Financing Schedule

The COUNTY financing option to the initial ENTITIES based on a Five (5) Year repayment schedule accruing interest at a rate of 1.99% annually, compounded monthly on the declining basis.

Loan Criteria: COUNTY will loan RENO up to \$475,221.63 (including a contingency allowance) for purposes of initial subscription service and implementation costs of the PLATFORM. This loan amount will occur on a drawdown (as spent) basis, concurrent with the COUNTY's payment obligations to the vendor, Accela, to include the first year subscription service costs. Interest on drawdowns and on loan repayment will be calculated at an annual rate of 1.99% and loan repayments will be quarterly.

Loan ProForma: RENO's portion of the payment schedule to the vendor, Accela, is set forth below. This schedule is provided on a proforma (as if) basis and actual drawdown amounts will be tracked as RENO requests loan amounts to meet payments. The actual resulting loan balance and payments due to COUNTY will be prepared for RENO by COUNTY when the drawdown period ends, and may include additional contingency amounts as requested by RENO.

Drawdown Period: Initial subscription service costs and implementation:

	Subscription	Consulting	Contingency	Total	Interest	Loan Balance
Jul-23-2014	\$115,441.15	\$ 33,372.49	\$ -	\$148,813.64	\$ -	\$ 148,813.64
Aug-23-2014	-	17,798.66	1,628.47	19,427.13	246.78	168,487.55
Sep-23-2014	-	17,798.66	1,628.47	19,427.13	279.41	188,194.09
Oct-23-2014	-	17,798.66	1,628.47	19,427.13	312.09	207,933.31
Nov-23-2014	-	17,798.66	1,628.47	19,427.13	344.82	227,705.26
Dec-23-2014	-	17,798.66	1,628.47	19,427.13	377.61	247,510.00
Jan-23-2015	-	17,798.66	1,628.47	19,427.13	410.45	267,347.58
Feb-21-2015	-	17,798.66	1,628.47	19,427.13	443.35	287,218.06
Mar-23-2015	-	17,798.66	1,628.47	19,427.13	476.30	307,121.49
Apr-23-2015	-	17,798.66	1,628.47	19,427.13	509.31	327,057.93
May-23-2015	-	17,798.66	1,628.47	19,427.13	542.37	347,027.43
Jun-23-2015	-	17,798.66	1,628.47	19,427.13	575.49	367,030.05
Jul-23-2015	-	17,798.66	1,628.47	19,427.13	608.66	387,065.84
Aug-23-2015	-	17,798.66	1,628.47	19,427.13	641.88	407,134.85
Sep-23-2015	-	17,798.66	1,628.47	19,427.13	675.17	427,237.15
Oct-23-2015	-	17,798.66	1,628.47	19,427.13	708.50	447,372.78
Nov-23-2015	-	33,372.55	1,628.49	35,001.04	741.89	483,115.71
Total	\$115,441.15	\$333,724.94	\$ 26,055.54	\$475,221.63	\$7,894.08	\$ 483,115.71

Loan Repayment:

The loan repayment schedule is set forth below. Changes for drawdown timing and/or additional contingency spending will be adjusted during the drawdown period with a final loan balance and debt service schedule issued by November-2015 which is the planned go-live month.

	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>	<u>Outstanding Balance</u>
Beginning Balance				\$ 483,115.71
Jan-30-2016	\$ 24,155.79	\$ 2,403.50	\$ 26,559.29	\$ 458,959.92
Apr-30-2016	24,155.79	2,283.33	26,439.12	434,804.13
Jul-30-2016	24,155.79	2,163.15	26,318.94	410,648.34
Oct-30-2016	24,155.79	2,042.98	26,198.77	386,492.55
Jan-30-2017	24,155.79	1,922.80	26,078.59	362,336.76
Apr-30-2017	24,155.79	1,802.63	25,958.42	338,180.97
Jul-30-2017	24,155.79	1,682.45	25,838.24	314,025.18
Oct-30-2017	24,155.79	1,562.28	25,718.07	289,869.39
Jan-30-2018	24,155.79	1,442.10	25,597.89	265,713.60
Apr-30-2018	24,155.79	1,321.93	25,477.72	241,557.81
Jul-30-2018	24,155.79	1,201.75	25,357.54	217,402.02
Oct-30-2018	24,155.79	1,081.58	25,237.37	193,246.23
Jan-30-2019	24,155.79	961.40	25,117.19	169,090.44
Apr-30-2019	24,155.79	841.22	24,997.01	144,934.65
Jul-30-2019	24,155.79	721.05	24,876.84	120,778.86
Oct-30-2019	24,155.79	600.87	24,756.66	96,623.07
Jan-30-2020	24,155.79	480.70	24,636.49	72,467.28
Apr-30-2020	24,155.79	360.52	24,516.31	48,311.49
Jul-30-2020	24,155.79	240.35	24,396.14	24,155.70
Oct-30-2020	24,155.70	120.17	24,275.87	\$
Total	\$483,115.71	\$ 25,236.76	\$508,352.47	

Addendum E – Addresses for Participating Entities

To ENTITIES:

City of Reno
PO Box 1900
Reno, NV 89505
Attention: Community Development Director
Facsimile: (775) 334-1212
Telephone: (775) 334-2090

City of Sparks
[]
[]
Attention: []
Facsimile: (775) []-[]
Telephone: (775) []-[]

Washoe County
[]
[]
Attention: []
Facsimile: (775) []-[]
Telephone: (775) []-[]

Washoe County Health District
[]
[]
Attention: []
Facsimile: (775) []-[]
Telephone: (775) []-[]

To PROGRAM:

[]
[]
Attention: []
Facsimile: (775) []-[]
Telephone: (775) []-[]

affect the validity or enforceability of such provision in any other jurisdiction.

Section 17.7 Advice from Independent Counsel. Each party hereto understands that this is a legally binding agreement that may affect such party's rights. Each party hereto represents to each other party hereto that it has obtained independent counsel and received legal advice about the meaning and legal significance of this AGREEMENT.

Section 17.8 Judicial Interpretation. Should any provision of this AGREEMENT require judicial interpretation, it is agreed that a court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against any party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation hereof.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the date first above written.

COUNTY OF WASHOE, NEVADA

By _____ Date _____
Chair, Board of County Commissioners

Attest:

By _____ Date _____

APPROVED AS TO FORM:

By _____ Date _____
Deputy District Attorney

CITY OF RENO, NEVADA

By Robert A. Cashell, Sr. Date 6-27-14
Robert A. Cashell, Sr., Mayor

Attest:

By Lynette R. Jones Date 6-27-14
Lynette R. Jones, City Clerk DEPUTY



APPROVED AS TO FORM:

By Julie Towler Date 6/27/14
Deputy City Attorney JULIE TOWLER

affect the validity or enforceability of such provision in any other jurisdiction.

Section 17.7 Advice from Independent Counsel. Each party hereto understands that this is a legally binding agreement that may affect such party's rights. Each party hereto represents to each other party hereto that it has obtained independent counsel and received legal advice about the meaning and legal significance of this AGREEMENT.

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IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the date first above written.

COUNTY OF WASHOE, NEVADA

By [Signature]
Chair, Board of County Commissioners

Date June 17, 2014

Attest: [Signature]

Date June 17, 2014

APPROVED AS TO FORM:

By [Signature]
Deputy District Attorney

Date 6/4/14

CITY OF RENO, NEVADA

By _____
Robert A. Cashell, Sr., Mayor

Date _____

Attest:

By _____
Lynnette R. Jones, City Clerk

Date _____

APPROVED AS TO FORM:

By _____
Deputy City Attorney

Date _____

CITY OF SPARKS, NEVADA

By _____ Date _____
Geno Martini, Mayor

Attest:

By _____ Date _____
*****, City Clerk

APPROVED AS TO FORM:

By _____ Date _____
Deputy City Attorney

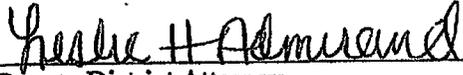
WASHOE COUNTY HEALTH DISTRICT

By  Date 6-26-14
Matt Smith, Chair

Attest:

By  Date 6/26/14
Board Secretary

APPROVED AS TO FORM:

By  Date 6/26-14
Deputy District Attorney

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CITY OF SPARKS, NEVADA

By Geno R. Martini Date 06/26/14
Geno R. Martini, Mayor

Attest:

By Teresa M. Gardner Date 6/26/14
Teresa M. Gardner, City Clerk

APPROVED AS TO FORM:

By Chester H. Adams Date 6/16/14
Chester H. Adams, City Attorney



WASHOE COUNTY HEALTH DISTRICT

By _____ Date _____
*****, Chair

Attest:

By _____ Date _____
Board Secretary

APPROVED AS TO FORM:

By _____ Date _____
Deputy District Attorney

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